



SANDRA SHEWRY  
*Director*

State of California—Health and Human Services Agency  
Department of Health Care Services



ARNOLD SCHWARZENEGGER  
*Governor*

February 5, 2008

Dear Interested Parties:

**EXTERNAL QUALITY REVIEW ORGANIZATION (EQRO) REQUEST FOR PROPOSAL 08-85020  
Administrative Bulletin 4, Addendum 3**

Administrative Bulletin Number 4, Addendum 3 issued by the California Department of Health Care Services (DHCS), Office of Medi-Cal Procurement (OMCP), announces information and changes to Request for Proposal (RFP) for the External Quality Review Organization. DHCS provides notification to interested parties of the following:

- DHCS responds to subsequent questions received after the Proposal Question Due Date as follows:
  1. Question: Regarding Exhibit H. Resumes: Please clarify if the State wants to see resumes as they are routinely formatted, as the exhibit title indicates (and with the information provided as requested in this exhibit); or if the State desires a narrative format only, more akin to a biographical sketch, as the “narrative format” language in the exhibit indicates.

Answer: The State has no preference on how resumes are formatted.

2. Question: Regarding CAHPS: Please clarify who pays for reporting results to NCQA: the plans or the EQRO contractor?

Answer: The DHCS designates the EQRO contractor as the entity responsible for reporting CAHPS results to NCQA.

3. Question: Regarding Section 3.j.5), page 42, Guaranty Provisions. What form of the guaranty is satisfactory to the state?

Answer: Addendum 3 (enclosure) adds language to clarify the minimum requirements satisfactory to the State when submitting a Guaranty.

These changes are being made to clarify sections in the RFP. Changes within the documents are indicated as an underline and a strikethrough to denote revisions.

In order to configure the Internet and CD version of the RFP to accurately reflect the current requirements and considerations, remove the existing pages and insert the appropriate replacement pages. The website for the electronic version is  
[www.dhcs.ca.gov/ProvGovPart/rfa\\_rfp/Pages/OMCPHomePage.aspx](http://www.dhcs.ca.gov/ProvGovPart/rfa_rfp/Pages/OMCPHomePage.aspx).

**ONLINE AND CD VERSION**

To update the RFP, use the instructions in the following chart. Any changes made to the RFP are published as replacement pages in the RFP.

REMOVE EXISTING PAGES	REPLACEMENT PAGES
RFP Main page 42	RFP Main pages 42 through 42-B  Language added

Prospective Proposers have five (5) working days from the issue of this transmittal to the postmark date of the Proposer's response to submit any objections to the Addendum to the address below:

RFP 08-85020  
Attn: Katonya Shaw  
CA Department of Health Services  
Office of Medi-Cal Procurement, Mail Station 4200  
External Quality Review Organization  
P.O. Box 997413  
Sacramento, CA 95899-7413  
E-Mail: [omcprfp3@dhs.ca.gov](mailto:omcprfp3@dhs.ca.gov)

Sincerely,

Original Signed by *Donna Martinez*

Donna Martinez, Chief  
Office of Medi-Cal Procurement

Enclosure

Have assets under control, greater than \$10,000,000 (ten million dollars), as identified in the annual financial statements.

## 5) Guaranty Provisions

If the Proposer is a subsidiary of another organization, the Proposer must submit a guaranty from that organization in the Proposer's chain of ownership, which is publicly traded. If no such parent organization is publicly traded, the guaranty shall be submitted by a parent organization at a level in the chain of ownership, which is acceptable to the State. The guaranty ~~shall be in a form satisfactory to the State~~ and shall provide for the full and prompt performance of all covenants, terms and conditions and agreements resulting from this RFP throughout the term of the contract.

The guaranty shall, at a minimum, meet the following requirements. It shall:

i. Be made to the DHCS;

ii. Be signed by an official authorized to bind the guarantor organization;

iii. Accept unconditional responsibility for the full and prompt performance of all covenants, terms, conditions, obligations and financial requirements of the Contract throughout its entire term including, but not limited to, payment of liquidated damages;

iv. Recite that "for good and valuable consideration, receipt of which is hereby acknowledged," the guarantor is making the guaranty;

v. State that the guarantor stipulates that if the Contract is ultimately awarded to the subsidiary, that the DHCS will so award in reliance upon the Contract of Guaranty;

vi. State that the undersigned Corporate Officer warrants:

A. That he or she has personally reviewed all pertinent corporate documents, including but not limited to articles of incorporation, bylaws, and agreements between the parent and subsidiary; and

B. That nothing in these documents in any way limits the capacity of the parent to enter into the instant Contract of guaranty; and

C. That the parent organization shall have taken all corporate action necessary or required under applicable law and its articles of incorporation and bylaws [or other formation documents] to enter into the instant Contract of Guaranty.

vii. Include the following provisions:

"The DHCS need not take any action against the Contractor, any other guarantor, or any other person, firm or corporation or resort to any security held by it at any time before proceeding against the GUARANTOR.

Further, GUARANTOR hereby waives any and all notices and demands which may be required to be given by any other statute or rule of law and agrees that its liability hereunder shall be in no way affected, diminished, or released by any extension of time, forbearance, or waiver which may

be granted to the Contractor, its successor or assignee, and that this Guaranty shall extend to and include all future amendments, modifications, and extensions of the Contract and all future supplemental and other agreements with respect to matters covered by the Contract which the DHCS and Contractor may enter into, with or without notice to or knowledge of GUARANTOR, but GUARANTOR shall have the benefit of any such extension, forbearance, waiver, amendment, modification, or supplemental or other agreement; it being the purpose and intent of the parties hereto that the obligations of GUARANTOR hereunder shall be co-extensive with, but not in the excess of, the obligations of Contractor, its successor or assignee, under the Contract”;

viii. Be presented in terms, which the DHCS, in its sole discretion, determines shall, as a whole; adequately establish the Contractor's financial responsibility; and include the following provisions:

"GUARANTOR agrees that the guaranty shall continue in full force and effect despite any change in the legal or corporate status of the subsidiary including but not limited to its sale, reorganization, dissolution or bankruptcy".

"Any provision of this Contract of Guaranty which is determined to be invalid or unenforceable by a court of competent jurisdiction, shall be invalid or unenforceable only to the extent of such determination, which shall not invalidate or otherwise make ineffective any other provision of this Contract of Guaranty."

#### 6) **Staff Resumes**

**Resume specifications appear in the Project Personnel section. To the extent possible, resumes should not include personal information such as a Social Security Number, home address, home telephone number, marital status, sex, birth date, age, etc.**

#### 7) **Subcontractor/Independent Consultant resumes** (Not including Special Consulting Services Consultant classifications)

Submit a resume for each pre-identified subcontractor or independent consultant, if any, as discussed in the Project Personnel Section. Resumes should not include personal information such as a Social Security Number, home address, home telephone number, home email address, marital status, sex, birth date, age, etc.

#### 8) **Special Consulting Services Consultants resumes**

Submit a resume for each pre-identified Special Consulting Services Consultants (Biostatistician, Business Analyst, Information Technology Analyst, Physician Consultant, Epidemiologist, Nurse Consultant, Health Educational Consultant, Educational Consultant, Communication and Outreach Consultant, as discussed in the Project Personnel Section. Resumes should not include personal information such as a Social Security Number, home address, home telephone number, home email address, marital status, sex, birth date, age, etc.

**9) Letters of Agreement for 6) and 7) above**

For each pre-identified subcontractor and independent consultant that will be used to perform services under the resulting contract, submit a letter of agreement to work on this project.

A letter of agreement must be signed by an official representative of each subcontracted firm or independent consultant, indicating his or her acknowledgement of being named as a subcontractor or consultant, their availability to work on this project and acknowledgement that they have read or been made aware of the proposed contract terms, conditions and exhibits. Include an explanation if a letter of agreement cannot be obtained from each pre-identified